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Kong Kin Loong & Anor v Kong Sou Keet & Ors

B HIGH COURT (KUALA LUMPUR) — ORIGINATING SUMMONS NO WA-24IP-29–12 OF 2017
WONG KIAN KHEONG J
21 AUGUST 2018

C *Trade Mark — Registration — Application for — Registrar allowed application — Appeal against decision of registrar — Whether plaintiff could cite second and third defendants as co-defendants — Whether plaintiffs barred by s 28(7) of the Trade Marks Act 1976 ('the TMA') from relying on grounds to support originating summons — Whether first defendant first user of mark — Whether evidence* D *constituted 'use' of mark under s 3(2)(a) and (b) of the TMA — Whether partner of firm could apply for registration of trademark — Whether expiry of registration of partnership amounted to abandonment of trademark by partnership — Whether likelihood of deception/confusion as stated under first limb of s 14(1)(a) of the TMA applied to first user — Whether mark distinctive of first* E *defendant's goods — Whether court could direct registrar to register trademark — Trade Marks Act 1976 ss 3(2)(a), (2)(b), 10(2A), (2B)(a), (2B)(b), 14(1)(a), 25(3), 28(4), (6) & (7)*

This originating summons ('the OS') was filed against the decision of the F registrar of Trade Marks ('the registrar') under s 28 of the Trade Marks Act 1976 ('the TMA') in favour of the first defendant, which allowed the registration of a combined trademark, 'Chang Jiang' mark for goods in Class 30. The plaintiff had initially in their notice of opposition forwarded three grounds to oppose the first defendant's application namely: (a) the plaintiffs were common law G proprietors of the plaintiffs' mark and the registrar's decision breached the TMA as the first defendant was not the owner of the 'Chang Jiang' mark; (b) the use of the 'Chang Jiang' mark on the first defendant's goods caused a likelihood of deception/confusion; and (c) the plaintiffs' mark was distinctive of the plaintiffs' goods, and as a consequence the Chang Jiang mark was not H distinctive of the first defendant's goods. The plaintiffs then in the affidavit in support of the OS forwarded four new grounds as followed: (i) the defendants were partners of a business called Chang Jiang White Coffee Enterprise, therefore the first defendant's application was defective for not naming the second and third defendants; (ii) the defendants' had no bona fide intention to I use the Chang Jiang mark in 1996 and instead only used their goods by the mark in 2002. The defendants stopped using the mark in 2006 and the registration of the defendants' firm had expired on 12 May 2012. The defendants had therefore abandoned the use of the mark; (iii) Mr Kong being the first common law owner of the mark had not assign it to the defendants and

had instead assigned it to the plaintiffs; and (iv) the first plaintiff had first used the Chang Jiang mark on 30 October 1996 which was sold to the plaintiffs' firm in 2001 which the mark had been continuously used and the firm had goodwill in the plaintiffs' mark in Malaysia, Singapore, Thailand, China and Hong Kong. The defendants contended that the Chang Jiang mark was inspired by the name of a coffee shop operated in Ipoh by a relative to all the parties in this action. The coffee shop was transferred to the first defendant on 12 December 1995. Around 1996, the defendants started roasting and packaging coffee beans for sale using the Chang Jiang mark and subsequently formed the defendants' firm in 1997. The defendants claimed that they were the first users of the Chang Jiang mark under the name Chang Jiang White Coffee. The defendants also claimed that the first plaintiff used to work with the defendants' firm but left in 2001 due to a disagreement. The defendants had never authorised the first plaintiff to use the Chang Jiang mark.

Held, dismissing the OS with costs:

(1) An appeal against the decision of the registrar could only be brought against parties who appeared before the registrar. As the second and third defendants were not parties before the registrar, the plaintiffs should not have cited them in the OS. Further, it was unjust to cite the second and third defendants in the OS because they did not have an opportunity to adduce evidence and submit before the registrar (see para 7).

(2) The plaintiffs were barred from relying on new grounds as the word 'shall' in sub-s 28(7) of the TMA was mandatory and that the plaintiffs did not apply via notice of application under O 32 r 1 of the ROC for leave to rely on the new grounds (see para 9).

(3) The first defendant was the first user of the Chang Jiang mark as supported by a newspaper publication dated 17 September 1996 which contained photographs, among others of coffee products with the Chang Jiang name and the first defendant making coffee. As the first defendant was the first user of the mark, the first defendant was the common law proprietor of the Chang Jiang mark and was therefore entitled to apply to register the mark (see paras 11–12).

(4) The registration dates of the plaintiffs' and defendants' firm and the first plaintiff's firm under the Registration of Business Act 1956 ('the RBA') did not prove 'use' under s 3(2)(a) and (2)(b) of the TMA. Further, Mr Kong's letter dated 21 October 1996 also did not constitute evidence of 'use' of Chang Jiang mark as understood in s 3(2)(a) and (2)(b) of the TMA (see paras 16 & 19).

(5) The TMA did not bar a partner from applying in the partner's own name to register a trademark belonging to the partnership. If a partner had registered a trademark which belonged to the partnership in the partner's

own name, the partner was the registered proprietor of the trademark in trust for the partnership (see para 22).

(6) The expiry of registration of business under the RBA did not necessarily mean the business had ceased nor did it mean that the business had stopped using the trademark. Even if the business had in fact stopped the use of a trademark, it did not necessarily amount to an abandonment of the trademark (see para 24).

(7) Section 19(1)(a) or (b) of the TMA only prohibited registration of a trademark with another that had already been registered in the event it caused a likelihood of deception/confusion. The likelihood of deception/confusion requirement in the first limb of s 14(1)(a) of the TMA did not apply to the first defendant who was the first user of Chang Jiang mark (see paras 25–26).

(8) On 11 August 2014, the Chang Jiang mark was inherently distinctive because traders were not likely, in the ordinary course of their business and without any improper motive, to desire to use Chang Jiang mark or some mark nearly resembling Chang Jiang mark, upon or in connection with their own goods. In addition, Chang Jiang mark was factually distinctive of the first defendant's goods because there was evidence of use of that mark by the first defendant. Based on the above finding, Chang Jiang mark was 'capable of distinguishing' the first defendant's goods from all other goods within the meaning of s 10(2A), (2B)(a) and (2B)(b) of the TMA (see para 30).

(9) The court could not direct the registrar to register the plaintiffs' mark for goods in Cass 30 because the court was only conferred the powers as provided under s 28(4)(a), (4)(b), (4)(c) and (6). The court should not usurp the statutory powers conferred by Parliament on the registrar under s 25(3) of the TMA (see para 31).

[Bahasa Malaysia summary

Saman pemula ('SP') difailkan terhadap keputusan Pendaftar Cap Dagangan ('pendaftar') di bawah s 28 Akta Cap Dagangan 1976 ('ACD') yang memihak kepada defendan pertama, yang membenarkan pendaftaran cap dagangan bergabung, cap 'Chang Jiang' untuk barang-barang dalam kelas 30. Plaintif pada mulanya dalam notis bantahan mereka mengemukakan tiga alasan untuk membantah permohonan defendan pertama iaitu: (a) plaintif merupakan pemilik 'common law' cap plaintif-plaintif dan keputusan pendaftar tersebut melanggar ACD kerana defendan pertama bukan pemilik cap 'Chang Jiang'; (b) penggunaan cap 'Chang Jiang' pada barang-barang defendan pertama menyebabkan kebarangkalian penipuan/kekeliruan; dan (c) cap plaintif-plaintif adalah distinktif terhadap barang-barang plaintif, oleh itu, cap 'Chang Jiang' adalah tidak distinktif terhadap barang-barang defendan pertama. Plaintif dalam afidavit sokongan SP ini mengemukakan empat alasan

baru iaitu: (i) defendan-defendan merupakan rakan kongsi satu perniagaan dipanggil Chang Jiang White Coffee Enterprise, oleh itu permohonan defendan pertama adalah cacat kerana tidak menamakan defendan kedua dan ketiga; (ii) Defendan-defendan tiada niat bona fide untuk menggunakan cap Chang Jiang pada 1996 dan hanya menggunakan cap tersebut pada barang-barang mereka pada 2002. Defendan-defendan berhenti menggunakan cap tersebut pada 2006 dan pendaftaran firma defendan-defendan telah tamat pada 12 Mei 2012. Oleh itu, defendan-defendan telah meninggalkan penggunaan cap dagangan tersebut; (iii) En Kong yang merupakan pemilik 'common law' cap tersebut tidak menyerahhak kepada defendan-defendan, dan sebaliknya telah menyerahhak kepada plaintif-plaintif; dan (iv) plaintif pertama telah menggunakan cap Chang Jiang pada 30 Oktober 1996 yang telah dijual kepada firma plaintif pada tahun 2001 yang mana cap tersebut telah digunakan secara berterusan dan firma tersebut mempunyai nama baik dalam cap plaintif di Malaysia, Singapura, Thailand, China dan Hong Kong. Defendan-defendan mengatakan bahawa cap Chang Jiang diilhamkan dari nama kedai kopi yang beroperasi di Ipoh oleh seorang saudara kesemua pihak-pihak dalam tindakan ini. Kedai kopi tersebut dipindah milik kepada defendan pertama pada 12 Disember 1995. Sekitar tahun 1996. Defendan memanggang dan membungkus biji kopi untuk dijual menggunakan cap Chang Jiang dan kemudiannya membentuk firma defendan-defendan pada tahun 1997. Defendan-defendan menegaskan bahawa mereka merupakan pengguna pertama cap Chang Jiang di bawah nama Chang Jiang White Coffee. Defendan-defendan menyatakan bahawa plaintif pertama pernah bekerja dengan firma defendan-defendan namun telah meninggalkan firma defendan-defendan pada tahun 2001 kerana wujudnya percanggahan. Defendan-defendan tidak pernah membenarkan plaintif pertama untuk menggunakan cap Chang Jiang.

Diputuskan, menolak SP dengan kos:

(1) Rayuan terhadap keputusan pendaftar hanya boleh dibuat terhadap pihak-pihak yang hadir di hadapan pendaftar. Oleh kerana defendan kedua dan ketiga bukan pihak yang hadir dihadapan pendaftar, plaintif tidak sepatutnya menamakan mereka di dalam SP ini kerana mereka tidak diberikan peluang untuk mengemukakan keterangan dan berhujah di hadapan pendaftar (lihat perenggan 7).

(2) Plaintif-plaintif dihalang daripada bergantung kepada alasan baru kerana perkataan 'shall' dalam sub-s 28(7) ACD adalah wajib dan plaintif-plaintif tidak memohon melalui notis permohonan di bawah A 32 k 1 KKM untuk izin untuk bergantung pada alasan baru (lihat perenggan 9).

(3) Defendan pertama merupakan pengguna pertama cap Chang Jiang

seperti mana disokong oleh satu terbitan akhbar bertarikh 17 September 1996 yang mengandungi gambar, antara yang lain produk kopi dengan nama Chang Jiang dan defendan pertama membuat kopi. Oleh sebab defendan pertama merupakan pengguna pertama cap tersebut defendan pertama merupakan pemilik 'common law' cap Chang Jiang dan oleh itu berhak untuk memohon agar cap tersebut didaftarkan. (lihat perenggan 11–12).

(4) Tarikh pendaftaran firma plantif-plaintf, defendan-defendan dan plaintif pertama di bawah Akta Pendaftaran Perniagaan 1956 ('APP') tidak membuktikan penggunaan di bawah s 3(2)(a) dan (2)(b) ACD, Lanjutan itu, surat En Kong bertarikh 21 Oktober 1996 tidak menjadi satu keterangan penggunaan cap Chang Jiang seperti mana ditakrifkan dibawah s 3(2)(a) dan (2)(b) ACD (lihat perenggan 16 & 19).

(5) ACD tidak menghalang seorang rakan kongsi untuk memohon dalam nama rakan kongsi itu sendiri untuk mendaftarkan satu cap dagangan yang dimiliki oleh satu perkongsian. Sekiranya rakan kongsi telah mendaftarkan cap dagangan yang dimiliki oleh perkongsian tersebut atas nama rakan kongsi tersebut, rakan kongsi itu merupakan tuan punya berdaftar cap tersebut yang atas amanah perkongsian tersebut (lihat perenggan 22).

(6) Tamatnya tempoh pendaftaran perniagaan dibawah APP tidak seharusnya bermaksud bahawa perniagaan tersebut berhenti beroperasi, ianya juga tidak bermaksud perniagaan tersebut berhenti menggunakan sesuatu cap dagangan. Jikalau sekalipun perniagaan itu berhenti menggunakan cap dagangan, ianya tidak semestinya terjumlah kepada peninggalan cap dagangan (lihat perenggan 24).

(7) Seksyen 19(1)(a) atau (b) ACD hanya menghalang pendaftaran cap dagangan denan satu lagi yang telah didaftarkan dalam keadaan yang mana ianya akan menyebabkan wujudnya kebarangkalian penipuan/kekeliruan. Keperluan kebarangkalian penipuan/kekeliruan dalam bahagian pertama s 14(1)(a) ACD tidak terpakai kepada defendan pertama yang merupakan pengguna pertama cap Chang Jiang (lihat perenggan 25–26).

(8) Pada 11 Ogos 2014, cap Chang Jiang adalah sememangnya distinktif kerana peniaga tidak berkemungkinan, dalam operasi biasa perniagaan dan tanpa apa-apa niat salah, mahu untuk menggunakan cap Chang Jiang atau apa-apa cap yang menyerupai cap Chang Jiang, apabila atau berkaitan dengan barangan mereka sendiri. Tambahan, cap Chang Jiang adalah distinktif secara faktual terhadap barang-barang defendan pertama kerena wujudnya keterangan penggunaan cap tersebut oleh defendan pertama. Berdasarkan dapatan tersebut, cap Chang Jiang boleh membezakan barang-barang defendan pertama dari semua barangan lain

dalam makna s 10(2A), (2B)(a) dan (2B)(b) ACD (lihat perenggan 30). A

(9) Mahkamah tidak boleh mengarahkan pendaftar untuk mendaftar cap plaintif untuk barang di bawah kelas 30 kerana mahkamah hanya diberi kuasa tertakluk di bawah s 28(4)(a), (4)(b), (4)(c) dan (6). Mahkamah tidak sepatutnya merampas kuasa statutori yang diberikan Parlimen kepada pendaftar di bawah s 25(3) ACD (lihat perenggan 31).] B

Notes

For cases on application for registration, see 12(2) *Mallal's Digest* (5th Ed, 2017 Reissue) paras 3026–3031. C

Cases referred to

Ad-Lib Club Ltd v Granville [1971] 2 All ER 300, HC (refd)

BRG Brilliant Rubber Goods (M) Sdn Bhd v Santa Barbara Polo & Racquet Club Management Inc (Pendaftar Cap Dagangan Malaysia, interested party) and another case [2017] 7 MLJ 244, HC (refd) D

Hyundai Motor Company v Sun Yuen Rubber Manufacturing Co Sdn Bhd [2017] MLJU 700, HC (refd)

Kraft Foods Schweiz Holding GmbH v Pendaftar Cap Dagangan [2016] 11 MLJ 702, HC (refd) E

Lim Teck Lee (Malaysia) Sdn Bhd v Longcane Industries Sdn Bhd [2017] MLJU 620, HC (refd)

Lim Yew Sing v Hummel International Sports & Leisure A/S [1996] 3 MLJ 7, CA (refd)

Luggage Distributors (M) Sdn Bhd v Tan Hor Teng & Anor [1995] 1 MLJ 719, CA (refd) F

Merck KGaA v Leno Marketing (M) Sdn Bhd (Registrar of Trade Marks, interested party) [2018] 5 MLJ 1; [2018] 6 CLJ 167, FC (refd)

Mesuma Sports Sdn Bhd v Majlis Sukan Negara Malaysia (Pendaftar Cap Dagangan Malaysia, interested party) [2015] 6 MLJ 465, FC (refd) G

Mohan a/l Chatram v Ketua Pengarah Insolvensi [2015] MLJU 2362; [2015] 3 CLJ 354, HC (refd)

Reckitt and Colman Products Ltd v Borden Inc and others [1990] 1 All ER 873, HL (folld)

Sanmaru Overseas Marketing Sdn Bhd & Anor v PT Indofood Interna Corp & Ors [2009] 2 MLJ 765, CA (refd) H

Tenaga Nasional Bhd v Api-Api Aquaculture Sdn Bhd [2015] MLJU 2359; [2015] 3 AMR 811, HC (refd)

Tokai Corporation v DKSH Malaysia Sdn Bhd [2016] MLJU 621, HC (refd)

W & G Du Cros Ltd's Application, Re [1913] AC 624, HL (refd) I

Yong Teng Hing b/s Hong Kong Trading Co & Anor v Walton International Ltd [2012] 6 MLJ 609; [2012] 6 CLJ 337, FC (refd)

Yorkshire Copper Works Ltd v Registrar of Trade Marks [1954] 1 All ER 570, HL (refd)

Legislation referred to

Evidence Act 1950 s 103
Registration of Businesses Act 1956 s 2
Rules of Court 2012 O 7 r 2(1A), (2), O 28 r 3C(1), (3), O 32 r 1, O 38 r 2(2), O 41 r 5(1), O55A, O 55A r 1(1), O 87 r 3
Trade Marks Act 1938 ss 3(2)(a), (2)(b), 10, 10(2A), (2B), (2B)(a), (2B)(b), 14, 14(1)(a), 19, 19(1)(a), (1)(b), 25(1), (3), 28, 28(4)(a), (4)(b), (4)(c), (5), (6), (7), 34(b), 45(1)(a), 46(1)(a), (1)(b)
Trade Marks Regulations 1997 reg 18(1), Form TM5
Trade Marks Act 1938 [UK] s 9(2), (3)(a), (3)(b)

Andrew Yee Pau Onn (Gokila Wani with him) (Mohd Ravi, Andrew & Assoc) for the plaintiffs.
Melissa Long Lai Peng (Lam Rui Rong with her) (Skrine) for the defendants.

Wong Kian Kheong J:

A. PRELIMINARY MATTERS

[1] This originating summons ('OS') concerns a decision dated 23 November 2017 by the Registrar of Trade Marks ('registrar') which has allowed the registration of a combined trademark, 'Chang Jiang' mark ('Chang Jiang mark') for goods in Class 30 (which include, among others, coffee and tea) ('registrar's decision'). A copy of Chang Jiang mark is attached to this judgment as 'Annexure A'.

[2] The following preliminary matters regarding this OS should be addressed:

(a) O 7 r 2(2) of the Rules of Court 2012 ('the RC') provides that a party taking out an OS (other than an ex parte OS) 'shall' be described as the plaintiff and the other parties 'shall' be described as defendants — please see *Mohan a/l Chatram v Ketua Pengarah Insolvensi* [2015] MLJU 2362; [2015] 3 CLJ 354 at para 2. Accordingly, based on O 7 r 2(2) of the RC I shall refer to the 'appellants' and 'respondents' named in this OS as 'plaintiffs' and 'defendants' respectively;

(b) the intitulement to this OS states this OS is filed pursuant to O 55A of the RC. I refer to the following provisions in the RC:

O 7 r 2(1A)

Every [OS] shall state in its intitulement any provision of [RC] and any provision of any written law under which the Court is being moved.

O 55A r 1(1)

Where under any written law an appeal lies from any decision of any person or

body of persons to the High Court such appeal shall be made to the High Court in the State where the decision was given by way of an [OS] setting out the grounds of appeal and supported by an affidavit, and if the Court so directs at the hearing of the appeal, by way of oral evidence.

O 87 r 1 Interpretation In this Order —

'the Act' means the Trade Marks Act 1976 [TMA];

...

Appeals by [OS]

O 87 r 3 An appeal to the Court under the Act shall be brought by [OS] within one calendar month from the date of decision appealed against. (Emphasis added.)

It is not disputed that this OS is an appeal against the registrar's decision under s 28 of the TMA. The relevant part of s 28 of the TMA reads as follows:

s 28 *Opposition to registration*

(1) *Any person may, within the prescribed time from the date of the advertisement of an application for the registration of a trade mark, give notice to the Registrar and applicant of opposition to the registration.*

(2) *The notice shall be given in writing in the prescribed manner and shall include a statement of the grounds of opposition.*

...

(4) *After considering the evidence and exhibits and after giving the applicant and the opponent an opportunity of making written submissions, the Registrar shall decide whether —*

(a) *to refuse to register the trade mark*;

(b) *to register the trade mark absolutely*; *or*

(c) *to register the trade mark subject to such conditions, amendments, modifications or limitations as he may think fit.*

(5) *A decision of the Registrar under subsection (4) is subject to appeal to the Court.*

(6) *An appeal under this section shall be made in the prescribed manner and the Court shall, if required, hear the parties and the Registrar, and shall make an order determining whether, and subject to what conditions, amendments, modifications or limitations, if any, registration is to be permitted.*

(7) *On the hearing of an appeal under this section any party may, either in the manner prescribed or by special leave of the Court, bring forward further material for the consideration of the Court but no further grounds of objection to the registration of a trade mark shall be allowed to be taken by the opponent or the Registrar other than those stated by the opponent except by leave of the Court.*

... (Emphasis added.)

Firstly, as required by O 7 r 2(1A) of the RC, the intitulement of this OS should have stated s 28 of the TMA, in particular its sub-s (5), as one of the provisions of written law for moving this court.

Secondly, O 87 r 3 of the RC has specifically provided for appeals against registrar's decisions to the High Court under TMA. Order 55A r 1(1) of the RC is a general provision for appeals to the High Court as provided by any written law. According to the maxim of construction of statutes, *generalia specialibus non derogant*, a specific provision in a statute should be preferred to a general statutory provision, irrespective of whether the provisions are in the same statute or otherwise — please see Gopal Sri Ram JCA's (as he then was) judgment in the Court of Appeal case of *Luggage Distributors (M) Sdn Bhd v Tan Hor Teng & Anor* [1995] 1 MLJ 719 at pp 758–759. Accordingly, in compliance with O 7 r 2(1A) of the RC, the intitulement of this OS should have stated O 87 r 3 of the RC (instead of O55A of the RC) as the second provision of written law for moving this court;

(c) on the hearing date of this OS, I have informed learned counsel for all parties regarding the two above preliminary matters. Consequently, the plaintiffs' learned counsel orally applied to amend this OS to comply with O 7 r 2(1A) and (2) of the RC ('the oral application'). The defendants' learned counsel was magnanimous and did not object to the oral application. Hence, I allowed the oral application with no order as to costs; and

(d) the plaintiffs have obtained leave of court to discontinue this OS against the registrar with no liberty to file afresh and with no order as to costs.

B. ISSUES

[3] The following questions arise in this OS:

(a) can the plaintiffs cite the second and third defendants ('second defendant' and 'third defendant') as co-defendants in this OS when the second and third defendants did not apply to register Chang Jiang Mark? This is a novel question;

(b) whether the plaintiffs are barred by s 28(7) of the TMA from relying on grounds to support this OS when those grounds have not been stated in the plaintiffs' opposition to the first defendant's (first defendant);

(c) application to register Chang Jiang mark ('first defendant's application');

(d) who was the first bona fide user in the course of trade ('first user') of Chang Jiang mark? In this regard, whether the court can consider the following evidence as 'use' of Chang Jiang mark within the meaning of s 3(2)(a) and (2)(b) of the TMA:

(i) the registration date of a business under the Registration of Businesses Act 1956 ('the RBA'); and

(ii) a letter dated 21 October 1996 ('Mr Kong's letter') written by Mr Kong Wing Kheong ('Mr Kong');

(e) if a partnership is the owner of a trademark:

(i) whether one partner of the firm can apply for the registration of the trademark without joining the other partners; and

(ii) whether the expiry of the registration of the partnership's business under RBA amounts to an abandonment of the trademark by the partnership;

(f) whether a likelihood of deception or confusion as stated in the first limb of s 14(1)(a) of the TMA (likelihood of deception/confusion) applies to a first user. I am not able to find any previous Malaysian case on this issue;

(g) is Chang Jiang mark distinctive of the first defendant's goods within the meaning of s 10(2A), (2B)(a) and (2B)(b) of the TMA? and

(h) whether the court has power under s 28(4)(a)–(4)(c) and (6) of the TMA to order the registrar to register the plaintiffs' trademark known as 'Chang Jiang Confectionary' mark ('the plaintiffs' mark) for goods in Class 30. The plaintiffs have filed application no 04020745 to the registrar to register the plaintiffs' mark. A copy of the plaintiffs' mark is attached to this judgment as 'Annexure B'.

C. THE PLAINTIFFS' CASE

[4] The plaintiffs' had given to the registrar their notice of opposition to the first defendant's application ('notice of opposition'). According to the notice of opposition, the grounds advanced by the plaintiffs to oppose the first defendant's application are as follows:

(1) the plaintiffs are the common law proprietors of the plaintiffs' mark for goods in Class 30. As such, the registrar's decision breaches s 25(1) of the TMA because the first defendant is not the owner of Chang Jiang mark;

(2) the use of Chang Jiang mark on the first defendant's goods causes a likelihood of deception/confusion among the public with regard to the use of the plaintiffs' mark on the plaintiff's goods. The registrar's decision would therefore be contrary to ss 14 and 19 of the TMA; and

(3) the plaintiffs' mark is distinctive of the plaintiffs' goods within the meaning of s 10 of the TMA. Consequently, Chang Jiang mark is not distinctive of the first defendant's goods.

[5] The plaintiffs' affidavits in support of this OS have averred the following grounds which are not stated in the notice of opposition ('the new grounds'):

(a) the defendants were partners of a business called 'Chang Jiang White Coffee Enterprise' ('defendants' firm'). The first defendant's application is defective for not naming the second and third defendants as co-applicants with the first defendant;

(b) the defendants had no bona fide intention to use Chang Jiang mark for their goods in 1996. The defendants had only sold their goods by the use of Chang Jiang mark in 2002. Since 2006, the defendants did not use Chang Jiang mark in the business of the defendants' firm. The registration of the defendants' firm under RBA had expired on 12 May 2012. As such, the defendants' firm had abandoned the use of Chang Jiang mark;

(c) the first common law owner of Chang Jiang mark is Mr Kong who has not assigned Chang Jiang mark to the defendants. On the contrary, by way of Mr Kong's letter, Mr Kong has granted the first plaintiff the exclusive right to use and register Chang Jiang mark.

The first defendant has exhibited Mr Kong's statutory declaration affirmed on 13 February 2018 ('Mr Kong's SD'). Mr Kong's SD stated, among others, that he had not signed Mr Kong's letter in 1996.

The plaintiffs subsequently exhibited a police report lodged by Mr Kong on 22 February 2018 ('Mr Kong's police report'). In Mr Kong's police report, Mr Kong alleged that he had been coerced by, among others, the first defendant and the defendants' solicitors, to affirm Mr Kong's SD before a commissioner for oaths ('CO'); and

(d) the first plaintiff (first plaintiff) has first used Chang Jiang mark on 30 October 1996 in his business, 'Pusat Selera Chang Jiang' (first plaintiff's business). The first plaintiff's business was sold to the plaintiffs' partnership, 'Chang Jiang Confectionary' (plaintiffs' firm) in 2001. Since 2001, the plaintiffs' firm has continuously used the plaintiff's mark. The plaintiffs' firm has goodwill in the plaintiff's mark in Malaysia, Singapore, Thailand, China and Hong Kong.

D. THE DEFENDANTS' CASE

[6] According to the defendants' affidavits filed in opposition to this OS, among others:

(a) the three defendants are sisters. The first plaintiff is the younger brother of the defendants. Mr Kong is the father of the first plaintiff and defendants. The second plaintiff is the first plaintiff's wife;

(b) Chang Jiang mark was inspired by the name of a business, 'Kedai Kopi Chang Jiang' ('Chiang Jiang Coffee Shop'), operated at No 171, Jalan Pasir Puteh (ground floor), 31650 Ipoh. Chiang Jiang Coffee Shop was initially owned by Ms Kong Fong Mee ('Mr Kong's sister') and Madam Soong Yoke Foong ('defendants' mother') ('Madam Soong'). Mr Kong and Madam Soong then operated Chiang Jiang Coffee Shop;

(c) the ownership of Chiang Jiang Coffee Shop was transferred to the first defendant on 12 December 1995. Chiang Jiang Coffee Shop is now owned by Mr Kong Kin Yong (defendants' youngest brother) ('Mr KKY');

(d) in or around 1996, the defendants started a business to roast and package coffee beans for sale by using Chang Jiang mark. For this business, the defendants rented a factory space where they personally roasted and packaged coffee beans with Chang Jiang mark;

(e) the defendants formed the defendants' firm which was registered under RBA on 6 March 1997. In 1996, the defendants were the first users of Chang Jiang mark and the name 'Chang Jiang White Coffee' for products manufactured, distributed and sold by the defendants' firm;

(f) the business of the defendants' firm has been transferred to Chang Jiang White Coffee Marketing Sdn Bhd, a company owned by the defendants ('CJWCM');

(g) the first plaintiff used to work for the defendants' firm but left the defendants' firm in 2001 due to a disagreement. The defendants did not authorise the first plaintiff to use Chang Jiang mark. Nor did the defendants assign Chang Jiang mark to the first plaintiff;

(h) the defendants had agreed for the first defendant's application to be made and upon the registrar's approval of the first defendant's application, the first defendant would assign the registered Chang Jiang mark to CJWCM; and

(i) the defendants' third affidavit affirmed by the first defendant on 21 March 2018 stated that the first defendant, Mr KKY and his wife, had jointly made a police report on 21 March 2018. However, the police report exhibited in that affidavit stated the police report had only been made by the first defendant ('the first defendant's police report'). The first defendant's police report stated, among others, that Mr Kong's SD was affirmed voluntarily by Mr Kong before the CO and the first defendant did not coerce Mr Kong to affirm Mr Kong's SD.

E. CAN THE SECOND AND THIRD DEFENDANTS BE CITED IN THIS OS?

[7] I am of the view that the second and third defendants cannot be cited in this OS. This decision is premised on the following reasons:

(a) an appeal to the High Court against the registrar's decision under s 28(5) of the TMA can only be instituted against parties who are previously before the registrar. The first defendant is the sole applicant to register Chang Jiang mark under s 25(1) of the TMA. This is clear from Form TM5 in this case. Regulation 18(1) of the Trade Marks Regulations 1997 provides that an application for the registration of a trademark shall be made in Form TM5. As the second and third defendants were not parties before the registrar, the plaintiffs should not have cited them in this OS; and

(b) the second and third defendants did not adduce any evidence before the registrar. Nor did the second and third defendants submit any written submission to the registrar. It is therefore unjust to cite the second and third defendants in this OS when they have not been given any opportunity to adduce evidence and to submit to the registrar.

[8] Based on the reasons stated in the above para 7, this OS against the second and third defendants, is dismissed with costs.

F. WHETHER PLAINTIFFS CAN RELY ON NEW GROUNDS

[9] I accept the defendants' contention that the plaintiffs are barred by s 28(7) of the TMA from relying on new grounds. This is due to the following reasons:

(a) sub-s 28(7) of the TMA has provided that no further grounds of objection to the registration of Chang Jiang mark 'shall' be allowed to be taken by the plaintiffs other than those stated by the plaintiffs in the notice of opposition except by leave of the court. The word 'shall' in s 28(7) of the TMA is mandatory;

(b) in this case, the plaintiffs have not applied pursuant to s 28(7) of the TMA by way of a notice of application under O 32 r 1 of the RC (which has to supported by an affidavit) to the High Court for leave to rely on new grounds; and

(c) the following cases support the above construction of s 28(7) of the TMA:

(i) the Federal Court's judgment delivered by Md Raus Sharif CJ in *Merck KGaA v Leno Marketing (M) Sdn Bhd (Registrar of Trade*

Marks, interested party) [2018] 5 MLJ 1; [2018] 6 CLJ 167 at para 76; and

(ii) Azizah Nawawi J's judgment in the High Court case of *BRG Brilliant Rubber Goods (M) Sdn Bhd v Santa Barbara Polo & Racquet Club Management Inc (Pendaftar Cap Dagangan Malaysia, interested party) and another case* [2017] 7 MLJ 244 at paras 22–23.

G. WHO WAS FIRST USER OF CHANG JIANG MARK?

[10] Section 25(1) of the TMA provides as follows:

s 25 *Registration*

(1) *Any person claiming to be the proprietor of a trade mark used or proposed to be used by him may make application to the Registrar for the registration of that mark in the Register in the prescribed manner*. (Emphasis added.)

Azahar Mohamed FCJ has decided in the Federal Court case of *Mesuma Sports Sdn Bhd v Majlis Sukan Negara Malaysia (Pendaftar Cap Dagangan Malaysia, interested party)* [2015] 6 MLJ 465 at paras 37–47, that the first user of a trademark is the common law proprietor of the trademark and is thereby entitled to register the trademark under s 25(1) of the TMA.

[11] I accept the registrar's decision that the first defendant is the first user of Chang Jiang mark. This finding is supported by 'Nanyang' Chinese newspaper publication dated 17 September 1996 ('Chinese newspaper publication'), exh KSK6 in the second affidavit affirmed by the first defendant on 19 January 2018. I admit and attach great weight to the Chinese newspaper publication for the following reasons:

(a) para 19 of the second affidavit affirmed by the first defendant on 8 February 2018 had admitted, among others, that the Chinese newspaper publication was correct. In view of such an admission by the plaintiffs, I cannot accept the plaintiffs' contention that the contents of the Chinese newspaper publication constituted documentary hearsay evidence;

(b) the Chinese newspaper publication contained photographs of, among others, coffee products with Chang Jiang name and the first defendant making coffee. It was held in *Tenaga Nasional Bhd v Api-Api Aquaculture Sdn Bhd* [2015] MLJU 2359; [2015] 3 AMR 811 at para 31, that photographs are admissible as evidence as an exception to the documentary hearsay rule. The decision in *Tenaga Nasional Bhd* has been affirmed by the Court of Appeal;

A (c) no one has complained that the Chinese newspaper publication is false or erroneous. The plaintiffs have not adduced any evidence in this case to prove that the contents of the Chinese newspaper publication regarding the first user of Chang Jiang mark by the first defendant is untrue; and

B (d) the Chinese newspaper publication was made by an independent party.

[12] As the first defendant is the first user of Chang Jiang mark, the first defendant is the common law proprietor of Chang Jiang mark and is therefore entitled to apply to register Chang Jiang mark under s 25(1) of the TMA.

C

[13] The notice of opposition stated that the plaintiffs had used the plaintiffs' mark since 2001. The plaintiffs had not adduced any documentary evidence before the registrar which could prove that the plaintiffs had used the plaintiffs' mark *before* the first defendant's use of Chang Jiang mark in 1996.

D

[14] The above Part F has explained why the plaintiffs are not allowed to rely on new grounds to support this OS. Even if the plaintiffs are allowed to rely on new grounds regarding who is the first user of Chang Jiang mark, the new grounds materially contradict each other and the plaintiffs' position in the notice of opposition as follows:

E

(a) the notice of opposition (supported by a statutory declaration affirmed by both plaintiffs on 7 July 2008) stated that the plaintiffs had first used the plaintiffs' mark in 2001; and

F

(b) according to the new grounds, Mr Kong was the first common law owner of Chang Jiang mark. Such an assertion not only materially contradicts the plaintiffs' allegation in the notice of opposition (plaintiffs were first user of plaintiffs' mark) but is also inconsistent with another new ground (the first plaintiff's business was the first user of Chang Jiang mark on 30 October 1996).

G

[15] In *Hyundai Motor Company v Sun Yuen Rubber Manufacturing Co Sdn Bhd* [2017] MLJU 700 at paras 49–50, it is decided that s 3(2)(a) and (2)(b) of the TMA have defined the meaning of 'use' of a trademark. Section 3(2)(a) and (2)(b) TMA provide as follows:

H

3(2) In [TMA] —

(a) *references to the use of a mark shall be construed as references to the use of a printed or other visual representation of the mark*;

I

(b) *references to the use of a mark in relation to goods shall be construed as references to the use thereof upon, or in physical or other relation to, goods*; (Emphasis added.)

The decision in *Hyundai Motor Co* has been affirmed on appeal to the Court of Appeal.

[16] Based on the meaning of 'use' of a trademark in s 3(2)(a) and (2)(b) of the TMA, the registration dates of the plaintiffs' firm, defendants' firm and first plaintiff's business under RBA do not prove 'use' of Chang Jiang mark.

This is because RBA only provides for registration of a 'business' (defined widely in s 2 of the RBA) and does not provide for how the business is to be conducted, let alone how a trademark is to be used by the business.

[17] Regarding Mr Kong's letter, Mr Kong's SD and Mr Kong's police report (three documents), the three documents were merely exhibited in affidavits of the plaintiffs and first defendant. Mr Kong did not affirm any affidavit in this OS to exhibit and explain the three documents. The first plaintiff and first defendant would not have personal knowledge of the truth of the contents of the three documents. Accordingly, the three documents constituted documentary hearsay evidence which is not admissible according to O 41 r 5(1) of the RC — please see Mahadev Shankar JCA's judgment in the Court of Appeal in *Lim Yew Sing v Hummel International Sports & Leisure A/S* [1996] 3 MLJ 7 at pp 12 and 15–16. O 41 r 5(1) of the RC provides as follows:

> O 41 r 5 *Contents of affidavit*
>
> (1) Subject to Order 14, rules 2(2) and 4(2), to paragraph (2) of this rule and to any order made under Order 38, rule 3, *an affidavit may contain only such facts as the deponent is able of his own knowledge to prove*. (Emphasis added.)

[18] There is another reason why Mr Kong's SD is not admissible as evidence in this OS. In *Tokai Corporation v DKSH Malaysia Sdn Bhd* [2016] MLJU 621 at sub-para 16(1), it was held that by reason of O 28 r 3C(1), (3) and O 38 r 2(2) of the RC, evidence 'shall' only be admitted in an OS by way of affidavits (not by way of SD). Order 28 r 3C(1), (3) and O 38 r 2(2) of the RC provide as follows:

> O 28 r 3C *Supporting affidavits*
>
> (1) Unless otherwise provided in any written law, *where the plaintiff intends to adduce evidence in support of an [OS], he shall do so by affidavit and shall file the affidavit or affidavits and serve a copy thereof on every defendant not later than seven days after the service of the [OS]*.
>
> ...
>
> (3) *Where the defendant intends to adduce evidence with reference to the [OS] served on him, he shall also do so by affidavit and the affidavit or affidavits shall be filed and a copy thereof shall be served on the plaintiff not later than twenty-one days after being served with a copy of the affidavit or affidavits by the plaintiff under paragraph (1)*.

O 38 r 2(2)

(2) *In any cause or matter begun by [OS]* and on any application made by notice of application, *evidence shall be given by affidavit unless in the case of any such cause, matter or application any provision of thes Rules otherwise provides or the Court otherwise directs*, but the Court may, on the application of any party, order the attendance for cross-examination of the person making any such affidavit, and where, after such an order has been made, the person in question does not attend, his affidavit shall not be used as evidence without the leave of the Court. (Emphasis added.)

[19] Even if Mr Kong's letter is admissible as evidence in this case, I am of the view that the plaintiffs cannot rely on its contents in this case. This decision is based on the following reasons:

(1) Mr Kong's letter stated as follows:

LETTER OF AUTHORISATION AND CONSENT

I, [Mr. Kong] (I/C No 3496485) of full age and a Malaysian citizen with an address at C/O Kedai Kopi Chang Jiang being the sole *common law proprietor of the brand name* [2 Chinese characters] (Chang Jiang) since the year 1988 and has granted [1st Plaintiff] (I/C No A3503384) the exclusive right to use/register the brand [2 Chinese characters] (Chang Jiang) in form of the Trade Name and Marks in relation to business, trade and a range of related food and beverage products and services in Malaysia as well as other countries. (Emphasis added.)

Mr Kong's letter did not constitute evidence of 'use' of Chang Jiang mark as understood in s 3(2)(a) and (2)(b) of the TMA; and

(2) I do not attach any weight to Mr Kong's letter because:

(a) there is no evidence that Mr Kong is literate in English. Nor is there evidence that Mr Kong has qualification, training or knowledge in law, in particular trademarks law. It is implausible for a lay person, such as Mr Kong, to know about 'common law' ownership of a trademark;

(b) if Mr Kong's letter were genuine, the first plaintiff would have relied on it in the notice of opposition. Incredulously, Mr Kong's letter was not even exhibited in the first affidavit in support of this OS!; and

(c) Mr Kong's letter was only exhibited in the second affidavit in support of this OS (affirmed by the first plaintiff on 8 February 2018). There is no explanation in the plaintiffs' affidavits why there was a delay of more than 21 years three months (from the date of Mr Kong's letter (21 October 1996) to 8 February 2018) for the plaintiffs to disclose Mr Kong's letter.

[20] As Mr Kong's SD is not admissible as evidence in this OS (please see the above paras 17–18), Mr Kong's police report and the first defendant's police report are irrelevant in the determination of this OS.

H. WHETHER THE SECOND AND THIRD DEFENDANTS SHOULD HAVE APPLIED TO REGISTER CHANG JIANG MARK TOGETHER WITH THE FIRST DEFENDANT

[21] Firstly, the plaintiffs' contention that the first defendant's application is defective for not joining the second and third defendants as co-applicants, is barred by s 28(7) of the TMA from being raised in this OS — please see the above Part F.

[22] Even if it is assumed that s 28(7) of the TMA does not bar the plaintiffs from relying on the above contention, I cannot accede to such a contention. This is due to the following reasons:

(a) there is nothing in TMA which prohibits a partner from applying in the partner's own name to register a trademark which belongs to the partnership; and

(b) according to s 34(b) of the TMA, 'any equities in respect of a trademark may be enforced in like manner as in respect of any other personal property'. If a partner has registered a trademark which belongs to the partnership in the partner's own name, the partner is the registered proprietor of the trademark in trust for the partnership. In *Sanmaru Overseas Marketing Sdn Bhd & Anor v PT Indofood Interna Corp & Ors* [2009] 2 MLJ 765, at paras 50–53 and 156–167, the Court of Appeal in two judgments by Zaleha Zahari JCA (as she then was) and Abdul Malik Ishak JCA applied the equitable doctrine of bare trust to hold an assignor of a registered trademark to be a constructive trustee of the registered trademark for the benefit of the assignee.

I. HAS DEFENDANTS' FIRM ABANDONED CHANG JIANG MARK?

[23] The plaintiffs are barred by s 28(7) of the TMA from submitting that the defendants' firm has abandoned Chang Jiang mark when the registration of the defendants' firm under RBA has expired on 12 May 2012 — please see the above Part F.

[24] Even if it is assumed that s 28(7) of the TMA does not bar the plaintiffs from raising the issue of abandonment of Chang Jiang mark, I am of the following view:

(a) the expiry of registration of a business under RBA does not necessarily mean that the business has in fact ceased or that the business has actually

stopped using a trademark. In this case, the first defendant has given a reasonable explanation in her affidavit why the registration of defendants' firm under RBA has lapsed — the business of the defendants' firm has been transferred to CJWCM. Unless prohibited by law, either expressly or by necessary implication, the law allows parties to arrange their own affairs in a manner as they see fit;

(b) if a business has in fact stopped the use of a trademark in the course of trade, such a cessation does not necessarily amount to an abandonment of the trademark by the business. I cite Pennycuick VC's judgment in the English High Court case of *Ad-Lib Club Ltd v Granville* [1971] 2 All ER 300 at p 303 as follows:

> *It seems to me clear on principle and on authority that where a trader ceases to carry on his business he may nonetheless retain for at any rate some period of time the goodwill attached to that business. Indeed it is obvious. He may wish to re-open the business or he may wish to sell it. It further seems to me clear in principle and on authority that so long as he does retain the goodwill in connection with his business he must also be able to enforce his rights in respect of any name which is attached to that goodwill. It must be a question of fact and degree at what point in time a trader who has either temporarily or permanently closed down his business should be treated as no longer having any goodwill in that business or in any name attached to it which he is entitled to have protected by law*. (Emphasis added.)

Based on *Ad-Lib Club*, the fact that the registration of the defendants' firm under RBA has expired on 12 May 2012 does not mean that the defendants' firm has abandoned the use of Chang Jiang mark; and

(c) the plaintiffs have alleged a particular fact, namely the defendants' firm has abandoned Chang Jiang mark ('particular fact'). Under s 103 of the Evidence Act 1950 ('the EA'), the plaintiffs have the evidential burden to prove the particular fact. The plaintiffs have failed to discharge the evidential burden under s 103 of the EA to prove the particular fact because no evidence has been led by the defendant to prove the particular fact.

J. IS FIRST USER SUBJECT TO LIKELIHOOD OF DECEPTION/CONFUSION REQUIREMENT?

[25] Firstly, the plaintiffs cannot avail themselves of s 19(1)(a) or (1)(b) of the TMA because those provisions prohibit the registration of a trademark which causes a likelihood of deception/confusion with another trademark which has been registered.

[26] As elaborated in the above para 11, the first defendant was the first user of Chang Jiang mark. I am of the view that the likelihood of

deception/confusion requirement in the first limb of s 14(1)(a) of the TMA does not apply to a first user. This is because at the time of the first use of the trademark in question, there is no use of other similar trademarks which can cause a likelihood of deception/confusion. Furthermore, the onus is on traders (other than the first user) not to use trademarks which may cause a likelihood of deception/confusion with the first user's trademark. I rely on Lord Jauncey's judgment in the House of Lords in a passing off case, *Reckitt and Colman Products Ltd v Borden Inc and others* [1990] 1 All ER 873 at p 894, as follows:

> My Lords, if I had been asked to express my views on this matter without the aid of able argument and copious citation of authority but guided by common sense, *I should have stated the following propositions*.
>
> ...
>
> (c) *Where trader A enters the market to compete with trader B whose goods have acquired a reputation and are identified by a particular get-up it will be a question of degree to what extent trader A must differentiate his get-up from that of trader B in order to avoid deception. If B's goods have been in the market for a relatively short time with a get-up which is not particularly distinctive, the steps required to differentiate may not be very substantial. If, on the other hand, those goods have been in the market for a long time with a particularly distinctive get-up then A, seeking to market his goods with a similar get-up, will require to take far more drastic steps to inform the public that his goods are not those of B, since the public, having long become used to such a get-up as identifying the goods of B, are likely to be less mindful of differences in detail*. (Emphasis added.)

K. WHETHER CHANG JIANG MARK IS DISTINCTIVE OF FIRST DEFENDANT'S GOODS

[27] It is not disputed that the first defendant has to prove that Chang Jiang mark is distinctive of the first defendant's goods on 11 August 2014 (the date of the first defendant's application) within the meaning of s 10(2A), (2B)(a) and (2B)(b) of the TMA — please see the Federal Court's judgment delivered by Zulkefli Makinudin CJ (Malaya) (as he then was) in *Yong Teng Hing b/s Hong Kong Trading Co & Anor v Walton International Ltd* [2012] 6 MLJ 609; [2012] 6 CLJ 337 at para 7.

[28] Section 10(2A), (2B)(a) and (2B)(b) of the TMA provide as follows:

> s 10 *Registrable trade marks*
>
> ...
>
> (2A) *For the purposes of this section, 'distinctive', in relation to the trade mark registered or proposed to be registered in respect of goods or services, means the trade mark must be capable of distinguishing goods or services with which the proprietor of the trade mark is or may be connected in the course of trade from goods or services in the case of which no such connection subsists, either generally or, where the trade mark is registered or proposed to be registered, subject to conditions, amendments, modifications or limitations, in*

relation to use within the extent of the registration.

(2B) *In determining whether a trade mark is capable of distinguishing as aforesaid, regard may be had to the extent to which —*

(a) *the trade mark is inherently capable of distinguishing as aforesaid*; *and*

(b) *by reason of the use of the trade mark or of any other circumstances, the trade mark is in fact capable of distinguishing as aforesaid*. (Emphasis added.)

[29] In *Kraft Foods Schweiz Holding GmbH v Pendaftar Cap Dagangan* [2016] 11 MLJ 702 at paras 41–47, I have interpreted s 10(2A), (2B)(a) and (2B)(b) of the TMA based on English cases which have construed the then applicable s 9(2), (3)(a) and (3)(b) of the United Kingdom's Trade Marks Act 1938 ('the TMA 1938 (UK)'). Section 9(2), (3)(a) and (3)(b) of the TMA 1938 (UK) are similar (not identical) to our s 10(2A), (2B)(a) and (2B)(b) of the TMA.

[30] There is neither evidence nor reason for this court to intervene regarding the registrar's decision that Chang Jiang mark is distinctive of the first defendant's goods on 11 August 2014. Such a decision is premised on the following evidence and reasons:

(1) on 11 August 2014, Chang Jiang mark is inherently distinctive under s 10(2A) and (2B)(a) of the TMA because other traders are not likely, in the ordinary course of their business and without any improper motive, to desire to use Chang Jiang mark or some mark nearly resembling Chang Jiang mark, upon or in connection with their own goods — please see Lord Parker's decision in the House of Lords in *Re W & G Du Cros Ltd's Application* [1913] AC 624 at pp 634–635;

(2) Chang Jiang mark is factually distinctive of the first defendant's goods on 11 August 2014 within the meaning of s 10(2A) and (2B)(b) of the TMA because there is evidence of use of that mark by the first defendant; and

(3) in view of the above sub-paras (1) and (2), on 11 August 2014, Chang Jiang mark is 'capable of distinguishing' the first defendant's goods from all other goods within the meaning of s 10(2A), (2B)(a) and (2B)(b) of the TMA. In the House of Lords case of *Yorkshire Copper Works Ltd v Registrar of Trade Marks* [1954] 1 All ER 570 at pp 571–572, Lord Simonds LC has decided that the word 'may' in s 9(3) of the TMA 1938 (UK) (similar to our s 10(2B) of the TMA) is mandatory in the sense that both the 'inherent distinctiveness' requirement and 'factual distinctiveness' requirement should be considered together.

L. CAN COURT ORDER REGISTRATION OF PLAINTIFFS' MARK?

[31] Prayer 4 of this OS has applied for a court order to direct the registrar to register the plaintiffs' mark for goods in Class 30 ('prayer 4'). I cannot allow Prayer 4 for the following reasons:

(a) the court has only the following powers under s 28(4)(a)–(4)(c) and (6) of the TMA:

(i) the court may uphold a registrar's decision to register a trademark absolutely;

(ii) the court may affirm a registrar's decision to register a trademark and impose any condition, amendment, modification or limitation regarding the use of the trademark;

(iii) the court may reverse a registrar's decision to register a trademark; or

(iv) the court may reverse a registrar's refusal to register a trademark and order the trademark to be registered, either absolutely or subject to any condition, amendment, modification or limitation; and

(b) the registrar has a discretionary power under s 25(3) of the TMA to decide the plaintiffs' application. The court should not usurp the statutory power conferred by Parliament on the registrar under s 25(3) of the TMA by allowing prayer 4 — please see *Lim Teck Lee (Malaysia) Sdn Bhd v Longcane Industries Sdn Bhd* [2017] MLJU 620 at para 36.

M. WHETHER PLAINTIFFS CAN RELY ON SECTIONS 45(1)(A), 46(1)(A) AND (B) OF THE TMA

[32] I have not overlooked the plaintiffs' submission based on ss 45(1)(a), 46(1)(a) and (1)(b) of the TMA. This OS does not concern those statutory provisions.

N. SUMMARY OF COURT'S DECISION

[33] In conclusion, this OS is dismissed with costs on the following grounds:

(a) as the second and third defendants are not previously parties before the registrar, the plaintiffs cannot cite them in this OS. Furthermore, it is unjust to cite the second and third defendants in this OS because they do not have an opportunity to adduce evidence and submit before the registrar;

(b) the plaintiffs are barred by the mandatory s 28(7) of the TMA from relying on new grounds to support this OS when the new grounds have not been stated in the notice of opposition and the plaintiffs have not

obtained leave of court to rely on the new grounds;

(c) the Chinese newspaper publication supported the registrar's decision that the first defendant was first user of Chang Jiang mark. In this regard, the following matters do not constitute evidence of 'use' of Chang Jiang mark within the meaning of s 3(2)(a) and (2)(b) of the TMA:

(i) the registration dates of the plaintiffs' firm, defendants' firm and first plaintiff's business under RBA; and

(ii) Mr Kong's letter;

(d) TMA does not prohibit a partner from applying in the partner's own name to register a trademark which belongs to the partnership;

(e) the expiry of registration of the defendants' firm under RBA:

(i) was due to the fact that business of the defendants' firm had been transferred to CJWCM; and

(ii) did not mean that the defendants' firm had abandoned the use of Chang Jiang mark;

(f) the likelihood of deception/confusion requirement in the first limb of s 14(1)(a) of the TMA does not apply to the first defendant who is the first user of Chang Jiang mark;

(g) on 11 August 2014 Chang Jiang mark is distinctive of the first defendant's goods within the meaning of s 10(2A), (2B)(a) and (2B)(b) of the TMA; and

(h) the court has no power under s 28(4)(a)–(4)(c) and (6) of the TMA to order the registrar to register the plaintiffs' mark for goods in Class 30.

ANNEXURE A

CHANG JIANG MARK

ANNEXURE B

THE PLAINTIFFS' MARK

Originating summons dismissed with costs.

Reported by Izzat Fauzan